SAN ANTONIO, Sept. 06, 2017 (GLOBE NEWSWIRE) -- V-Tex Logistics, LLC, an indirect wholly owned subsidiary of Valero Energy Corp. (NYSE:VLO) (“Valero”), announced today that it has signed an agreement with Magellan Pipeline Company, L.P., an indirect wholly owned subsidiary of Magellan Midstream Partners, L.P. (NYSE:MMP) (“Magellan”) to jointly build an approximately 135-mile, 16-inch products pipeline from Houston to Hearne, Texas. In addition, Valero will separately build a terminal in Hearne, a terminal in Williamson County, Texas, and an approximately 70-mile, 12-inch pipeline connecting the two terminals. Valero’s expected cost for the projects is $380 million with targeted completion in mid-2019. Construction of these pipelines and terminals will provide a reliable fuel supply alternative for the fast-growing Central Texas marketplace. The new pipelines and terminals are expected to supply up to 60,000 barrels per day into Williamson County.

“These projects support our long-term strategy of expanding and extending our supply chain through organic growth projects,” said Joe Gorder, Valero Chairman, President and Chief Executive Officer. “We are very pleased to participate in the Magellan South Pipeline Expansion project. Valero and Magellan have had a long and successful working relationship and the Houston to Hearne pipeline project will build on that history.”

About Valero

Valero Energy Corp., through its subsidiaries, is an international manufacturer and marketer of transportation fuels and other petrochemical products. Valero, a Fortune 50 company based in San Antonio, Texas, with approximately 10,000 employees, is an independent petroleum refiner and ethanol producer, and its assets include 15 petroleum refineries with a combined throughput capacity of approximately 3.1 million barrels per day and 11 ethanol plants with a combined production capacity of 1.4 billion gallons per year. The petroleum refineries are located in the United States (U.S.), Canada and the United Kingdom (U.K.), and the ethanol plants are located in the Mid-Continent region of the U.S. In addition, Valero owns the 2 percent general partner interest and a majority limited partner interest in Valero Energy Partners LP, a midstream master limited partnership. Valero sells its products in both the wholesale rack and bulk markets, and approximately 7,400 outlets carry Valero’s brand names in the U.S., Canada, the U.K. and Ireland. Please visit www.valero.com for more information.

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